



SMA Solar Technology AG – Press Release

SMA Solar Technology AG Profitable in All Core Segments in the First Quarter of 2016

Overview of Q1 2016:

- **Sales increase to €253.8 million (Q1 2015: €226.3 million), exceeding the Managing Board's forecast**
- **Positive operating earnings (EBIT) of €25.3 million (Q1 2015: €-5.4 million),
all core segments profitable**
- **International share again increases significantly to 92.4% (Q1 2015: 88.0%)**
- **Financial stability thanks to solid equity ratio of 49.9% (December 31, 2015: 49.1%), high net cash
of €323.4 million (December 31, 2015: €285.6 million) and a credit line of €100 million**
- **Managing Board confirms sales and earnings forecast for fiscal year 2016**

Niestetal, May 12, 2016 – SMA Solar Technology AG (SMA/FWB: S92) has had a successful start to the new fiscal year. The SMA Group's sales increased by 12.2% to €253.8 million in the first quarter of 2016 (Q1 2015: €226.3 million) and exceeded the Managing Board's forecast of €235 million to €240 million. EBIT was €25.3 million (Q1 2015: €-5.4 million), in line with the Managing Board's forecast of €23 million to €27 million. With sales growth of more than 50% compared to the same period of the previous year, the segment for commercial PV systems (Commercial) was the largest growth driver and simultaneously returned to profitability. The residential PV system (Residential) and large-scale PV power plant (Utility) segments and Service business developed stably and were also profitable. The additional increase in the international share of sales to 92.4% (Q1 2015: 88.0%) reflects the SMA Group's outstanding position internationally. In the first quarter of 2016, the SMA Group increased its sold PV inverter output by 21.3% to 2.1 GW (Q1 2015: 1.7 GW).

As a result of increased sales volumes and the fixed cost reduction, EBITDA improved considerably in the first quarter of the fiscal year to €42.1 million (EBITDA margin: 16.6%; Q1 2015: €13.4 million, 5.9%). Consolidated earnings amounted to €18.8 million (Q1 2015: €-7.9 million). Earnings per share thus amounted to €0.54 (Q1 2015: €-0.23).

Gross cash flow improved considerably in the reporting period to €40.6 million (Q1 2015: €16.1 million). Net cash increased to €323.4 million (December 31, 2015: €285.6 million). With an equity ratio of 49.9% (December 31, 2015: 49.1%), SMA has a comfortable equity capital base and therefore an extremely solid balance sheet structure. SMA's bankability was also underscored by a revolving credit facility of €100 million agreed upon at the end of April with a consortium of Commerzbank, Deutsche Bank and Hessische Landesbank to secure financing of



current assets in the long term. SMA will use the financial leeway this provides to further expand its operations and maintenance services (O&M) business and thus further diversify its sales and earnings base.

“In the first quarter of 2016, SMA successfully continued on the path to more growth and sustainable profitability,” explained SMA Chief Executive Officer Pierre-Pascal Urbon. “We have a balanced distribution of sales over all segments and regions and have generated positive earnings in all segments of the core business. The strategic partnership we entered into with Tigo Energy in April will also enable us to tap into the growing market for smart module technology, a market that was previously closed to us. With this strategic step, SMA has laid the foundation for further growth, especially in the Residential and Commercial segments, and will globally market a highly flexible and cost-effective solution to optimize the performance of PV modules in the next few months.”

The SMA Managing Board confirms its sales and earnings forecast for the current fiscal year. This forecast anticipates sales of €950 million to €1,050 million and a significant increase in EBIT to between €80 million and €120 million. The forecast is supported by a high order backlog of €691.6 million at the end of the first quarter of 2016.

You can find the quarterly financial report for January to March 2016 at www.SMA.de/IR/FinancialReports.

About SMA

The SMA Group with sales of €1 billion in 2015 is the global market leader for solar inverters, a key component of all PV plants, and offers innovative key technologies for future power supply structures. It is headquartered in Niestetal, near Kassel, Germany, and is represented in 20 countries. The Group employs more than 3,000 people worldwide. SMA has an extensive range of products, which offers the right inverters for all module types and plant sizes; for small residential systems as well as large-scale plants, grid-connected photovoltaic systems as well as off-grid and hybrid systems. Moreover, SMA offers system technology for various battery technologies and system sizes and collaborates with renowned battery manufacturers and companies from the automotive industry. The SMA technology is protected by about 700 patents and utility models worldwide. The range of services is supplemented by comprehensive services and operational management of large-scale PV power plants. Since 2008, the Group's parent company, SMA Solar Technology AG, has been listed on the Prime Standard of the Frankfurt Stock Exchange (S92) and is currently the only company in the solar industry that is listed in the TecDAX index.

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